

CONSULTANT SERVICES
Evaluation Economist
Transportation and Spatial Arbitrage Analysis

Introduction

The Millennium Challenge Corporation (MCC) is a U.S. Government corporation whose mission is to provide assistance that will support economic growth and poverty reduction in carefully selected countries that demonstrate a commitment to just and democratic governance, economic freedom, and investments in their citizenry. For more information on the MCC, please visit www.mcc.gov.

Since 2005, MCC has invested in 17 compacts that included road upgrading or rehabilitation. MCC's roads portfolio to date represents approximately \$3.1 billion in investment, or roughly 36% of MCC's overall investment portfolio. Of these 17 compacts, 15 have closed and 2 are still in implementation. MCC's approval of each of the roads projects was informed by a cost-benefit analysis that projected savings based on reductions in vehicle operating costs and passenger time.

Roads projects targeted four main types of outcomes: transportation efficiency, agriculture, trade, and business development. The economic benefits of these outcomes were generally reflected in the economic benefit models through changes in traffic counts and their related cost and time savings. Any economic benefits beyond these savings were not modeled separately. With economically efficient marketing and transportation, this need not be an important omission as the public's willingness to pay for these services would equal their costs. But it is important to note that there is scant evidence suggesting that transportation and marketing systems in under-served regions are efficient. Indeed evidence suggests that thin transportation and trading markets lead to geographic price dispersions far larger than can be explained by simple measures of vehicle operating costs and value of travel time. And these impediments to inter-regional trade may be significant barriers to rural income growth.

Scope

The purpose of this consultancy is to seek the services of an Evaluation Economist with expertise in spatial analysis of prices and transport markets – hereafter referred to as The Consultant. During the base period of this contract, the Consultant will be expected to aid in the development of methods to analyze the likely effects of MCC's roads and other investments that influence the efficiency of regional trade. In addition, the Consultant may be asked to assist with development of plans or methodologies for additional data collection and analyses to better understand the constraints to efficient intra-national trade either during the base period, or in subsequent option periods. The Consultant will support this and related research and analytic agendas with MCC's Director of Independent Evaluation as well as M&E leads and other MCC officials working on investments related to road projects, regional markets and other related topics.

Tasks

The Consultant's assignments may include the following:

Background Review, Develop Work Plans, and Preparatory and Travel Activities

- Develop a preliminary work plan, to be updated as needed, at least semi-annually
- Undertake background research as necessary
 - Provide an annotated outline of the theoretical and empirical literature relevant to the focus of the consultancy;
 - Review related evaluation and other analytic opportunities within MCC compact projects, as well as outside opportunities that may facilitate development of relevant analytic methods
- If travel is required, prepare trip scopes of work as needed for approval, presentation of plans to MCC, engagement with relevant counterparts on location, and deliver detailed after-travel trip reports
- Travel to MCC headquarters and other sites as necessary for evaluation development/support
 - Meet with MCC/M&E, Economists, sector leads, as well as country specialists, as relevant and needed

Support Final Evaluation Deliverables

- Peer Review of Evaluation Deliverables
 - Peer review evaluation deliverables submitted by independent evaluators, including but not limited to evaluability assessments, design reports, survey instruments, data deliverables, analysis plans and final evaluations

Contribute to Economic Analysis

- Help MCC or Government economists develop or revise ERR models for compact activities
- Review ERR models from MCC/government economists and/or consultants

The Consultant would NOT be precluded from bidding on further evaluation services to be procured by MCC or the local MCA accountable entity, assuming no potential for Conflicts of Interest exists.

The Consultant would be expected to coordinate with local authorities responsible for MCC Compact development and implementation as well as other donors, where relevant. However, the Consultant would report directly to the designated COR/PM at MCC headquarters in Washington, DC.

Deliverables

The Consultant shall assist MCC in monitoring and evaluation analysis of roads projects. The Consultant will provide services to MCC on an as needed basis, as requested. No additional tasks shall imply any additional costs to the Government beyond the amount allowed for in the initial call order.

- Conference calls
- Draft and follow up detailed work plans including proposed indicators for continued tracking
- Identification of compacts and/or projects amenable to spatial arbitrage analysis
- Trip SOWs and reports, as relevant
- Spatial arbitrage analyses of individual roads projects or portions of the roads portfolio
- Other deliverables to be determined in agreement with technical point of contact

Sector

Transport and any other sectors where spatial arbitrage may be useful, if needed

Period and Place of Performance

The period of performance will be for a base period of one year with three one-year option periods. The estimated number of hours is 900 for the base period and for each option period.

The Consultant will be required to perform work at his or her home office, with possible travel requirements to MCC's Washington, D.C. office and/or field sites related to past, current or potential MCC roads investments.

Subcontracting

The Consultant is authorized to subcontract data collection and related services, subject to COR approval. Annual subcontracting costs shall not exceed 25% of the value of the Consultant's annual direct wages under this engagement.

Other requirements

International travel may be required. The Consultant may be requested to mobilize on a short notice and will be expected to deliver high quality finished products in a timely manner.